

A logo consisting of a rainbow with seven distinct bands, arching over the word "PARTNERS" and curving back under it. Two horizontal lines intersect the rainbow, one above and one below the word.

PARTNERS

Partnership In
Maximizing Category Profit

Grand Union Company

Program Period:
January - June, 1996

RJ Reynolds
Tobacco Company

51846 1294

PARTNERS Structure

- *Two Payment and Performance Plans:*

- **Plan A** - Provide Weekly Sales Data

- Three (3) Program Categories
 - Five (5) Opportunities to Earn \$

- **Plan B** - Provide Monthly Sales Data

- Two (2) Program Categories
 - Two (2) Opportunities to Earn \$

- *PARTNERS Program Period:*
January 1 - June 30

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PARTNERS Payment Plan B - Category I

- **\$.08 Per Carton on All RJR/Forsyth Products sold to your Customers during January 1st - June 30th provided all Requirements are met**
- **Requirements**
 - **Provide Monthly Sales Data as required by RJR to Determine SOM Performance**
 - **Promotion** - Efficient / Effective Shipment of Designated RJR Premiums / Promotions during specified time frame as communicated by your RJR Representative
 - **Distribution** - Accept All New RJR Brand Styles during the Introductory Period and Maintain Inventory available for sale to Customers in Geographical Areas specified by RJR for a minimum of six months. Assist in communicating the availability of New Products to Retail.
 - **Returned Goods** - Accept Damaged and/or Out-Dated RJR Products from your Customers and RJR Sales Personnel for return to Winston-Salem
 - **Share of Market** - Maintain RJR Total Share of Market

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PARTNERS Payment *(Cont'd)*

Category II - Plan B

RJR Total SOM Results	Payment Per Ctn On All RJR Volume
+0.2	\$.01
+0.4	\$.02
+0.6	\$.03
+0.8	\$.04
+1.0	\$.05

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Plan B

Base SOM Determination

Current PARTNERS

Plan B Customers

The PARTNERS Total RJR Base SOM
will be determined by Your Cumulative
PARTNERS Program Ending Results
(May - December, 1995)

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Plan B Payment Example

Account Name: Grand Union Company

Account #: 96719060

Payment

<i>Category I</i>	Meet Performance Requirements (Y/N)			Y
	Base SOM	Achieved SOM	Results (+/-)	
Total RJR SOM	14.9	15.0	+0.1	\$.08
<i>Category II</i>				
	Base SOM	Achieved SOM	Results (+/-)	
Total RJR SOM	14.9	15.1	+0.2	\$.01
<i>Total RJR Per Carton Payment</i>				\$.09

Share of Market Results	Total RJR
+0.2	\$.01
+0.4	\$.02
+0.6	\$.03
+0.8	\$.04
+1.0	\$.05

$$163,800 \times \$0.09 = \$14,742$$

Based on weekly 1995 carton average
of 6,300 x 26 weeks

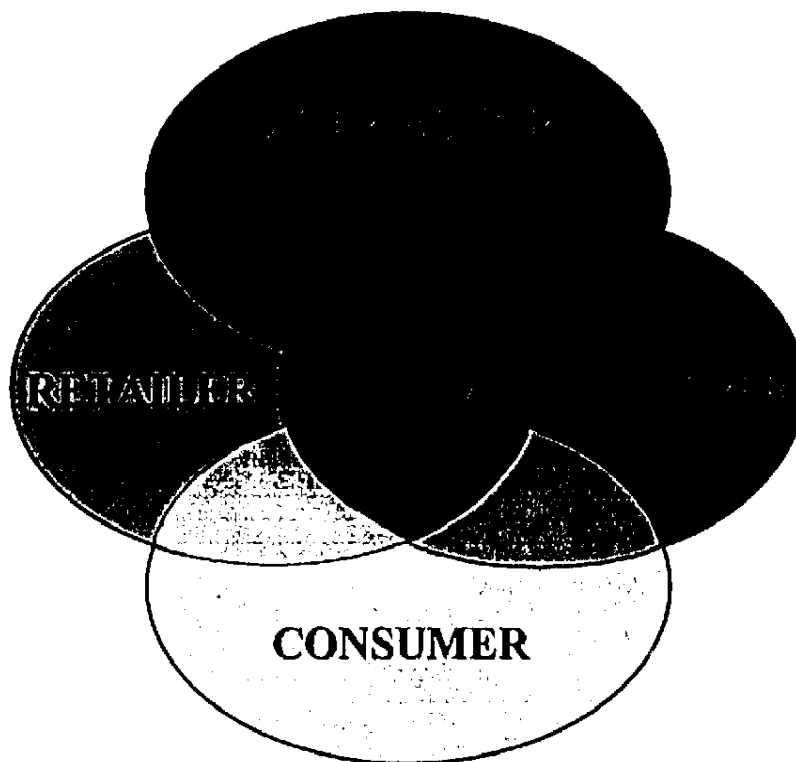
- Note: We urge all Plan B Participants to invest in the future during the next six months, and make preparations to become a PARTNERS Plan A Participant for the next Program period. We anticipate that on July 1, 1996, all Customers will be required to have the ability to generate sales information in the Plan A format in order to participate in the PARTNERS Program.

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Tobacco Company

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PARTNERS Summary

- EVERYONE Can Participate
- Add Significant Profitability to RJR Full Price Brands as well as All Other RJR / Forsyth Brands
- Financially Rewarding to Your Business
- Success for YOU, Your Customers, Consumers and RJR



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Tobacco Company

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